2017
ANNUAL REPORT

Developing new
Africa focused businesses.

Afinitas
LIMITED

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Corporate Directory

COUNTRY OF INCORPORATION AND DOMICILE	Botswana
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Investing and developing new businesses focused on Africa
DIRECTORS	Lesang Magang Rupert J McCammon Leutlwetse M Tumelo Keith R Jefferis
REGISTERED OFFICE	Unit 206, Plot 64516, Showgrounds Close, Fairgrounds, Gaborone, Botswana
BUSINESS ADDRESS	Unit A, 6th Floor, iTowers Plot 54368, CBD Gaborone, Botswana
POSTAL ADDRESS	P O Box AE 133 AEH Gaborone, Botswana
BANKERS/ INVESTMENT BANKERS	Barclays Bank Botswana Limited Stanbic Bank Botswana Limited Zemen Bank Ethiopia African Alliance Botswana
AUDITORS	Grant Thornton Chartered Accountants A Botswana member of Grant Thornton International Limited
SECRETARY	Cycad (Proprietary) Limited
TRANSFER SECRETARIES	Transaction Management Services (Proprietary) Limited
COMPANY REGISTRATION NUMBER	2014/5015
FUNCTIONAL CURRENCY	US Dollar
DATE OF INCORPORATION	4 May 2014

Shareholder information

TOP 10 SHAREHOLDERS

SHAREHOLDER NAME	NUMBER OF SHARES	% HOLDING
GCH INVESTMENTS LIMITED	120,000,000	56.089%
FNB BOTSWANA NOMINEES (PTY) LTD RE:AA BPOPF EQUITY	60,000,000	28.044%
STANBIC NOMINEES BOTSWANA RE:IBMF	12,537,906	5.860%
FNB BOTSWANA NOMINEES (PTY) LTD RE:KGORI CAPITAL- BPOPF EQUITY	10,000,000	4.674%
FNB BOTSWANA NOMINEES (PTY) LTD RE: KGORI BPOPF WPPP	4,800,000	2.244%
SCBN (PTY) LTD RE: IAM BREWERIES PENSION FUND	1,487,385	0.695%
SCBN (PTY) LTD RE: IAM-BCL STAFF PENSION FUND-AGGRESSIVE PORTFOLIO	1,327,660	0.621%
SCBN (PTY) LTD RE: IAM-SEFALANA GROUP STAFF PENSION FUND	1,047,049	0.489%
OTTAPATHU RAMACHANDRAN	1,000,000	0.467%
STOCKER WILLIAM	150,000	0.070%

SHAREHOLDER SPREAD BY NUMBER OF SHARES

	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	TOTAL SHARES	% HOLDING
< 2,000	153	55.84%	106 489	0.05%
2,001 - 5,000	41	14.96%	159 336	0.07%
5,001 - 10,000	37	13.50%	305 561	0.14%
10,001 - 50,000	29	10.58%	691 777	0.32%
50,001 - 100,000	4	1.46%	333 087	0.16%
100,001 - 500,000	1	0.36%	150 000	0.07%
> 500,000	9	3.28%	212 200 000	99.18%
	274	100.00%	213 946 250	100.00%

SHAREHOLDER SPREAD (PUBLIC/NON PUBLIC)

	NUMBER OF SHAREHOLDERS	TOTAL SHARES	% HOLDING
TOTAL	274	213 946 250	100.00%
NON PUBLIC SHAREHOLDERS	14	120 278 727	56.22%
PUBLIC SHAREHOLDERS	260	93 667 523	43.78%
ANALYSIS OF NON PUBLIC SHAREHOLDERS			
DIRECTORS AND ASSOCIATES	14	120 278 727	56.22%

Chairman's Report

It is an honour for me to provide this report on behalf of the Board of Directors, to our shareholders and stakeholders. This report reviews the development milestones of your Company during the financial year ended December 2017.

The operational focus for the Group was on building operational and corporate structures to support the business strategy in each of the investee companies.

Adventis Limited made significant progress by adding two Africa focused funds into their portfolio. The Adventis Africa Equity Fund, a listed equity fund, and the Adventis Enhanced Income Fund, a high income fund focused on Africa debt instruments. Details of these funds are available on http://www.afinitas.co/adventis-limited. These funds have positioned Adventis as an emerging force in the Africa asset management space.

Africa Events Limited, launched a series of investor trips into 12 African countries. These trips are under the African Investments banner and are focused on promoting investment opportunities in Africa to Africa focused investors. These investor trips are a great platform for expanding AEL's portfolio of events.

AFSIC (www.afsic.net), is the flagship event for Africa Events Limited (AEL). The event had another year of good growth in delegate numbers and profitability. AEL declared a dividend of $90 000.00 to Afinitas Limited during the year. The Board is optimistic that the growth momentum in the event will continue into future AFSIC events.

Ethiopia Investments Limited continued to develop EQOS Global (http://www.afinitas.co/ethiopia-investments-limited-0), a business process outsourcing company based in Addis Ababa. EQOS now has a competent team in place that has started providing services to both local and international clients.

Your Board takes very seriously its responsibility towards Corporate Governance. It is the view of the Board that the Afinitas Group should, to the extent possible, adhere to highest standards of ethical conduct internally and externally. This includes compliance with laws and regulations in each country of operation.

The Board continuously takes steps to review compliance across the Group. The board is also kept updated on anticipated regulatory changes and the potential impact on the company.

In this regard the Board continues to follow global developments on requirements for compliance with Base Erosion and Profit Shifting (BEPS) regulations and the Common Reporting Standards. These requirements seek to curb the undesirable practice of shifting profits away from areas of economic activity to low tax jurisdictions. The result is that areas where profits are generated do not reap tax benefits associated with those profits.

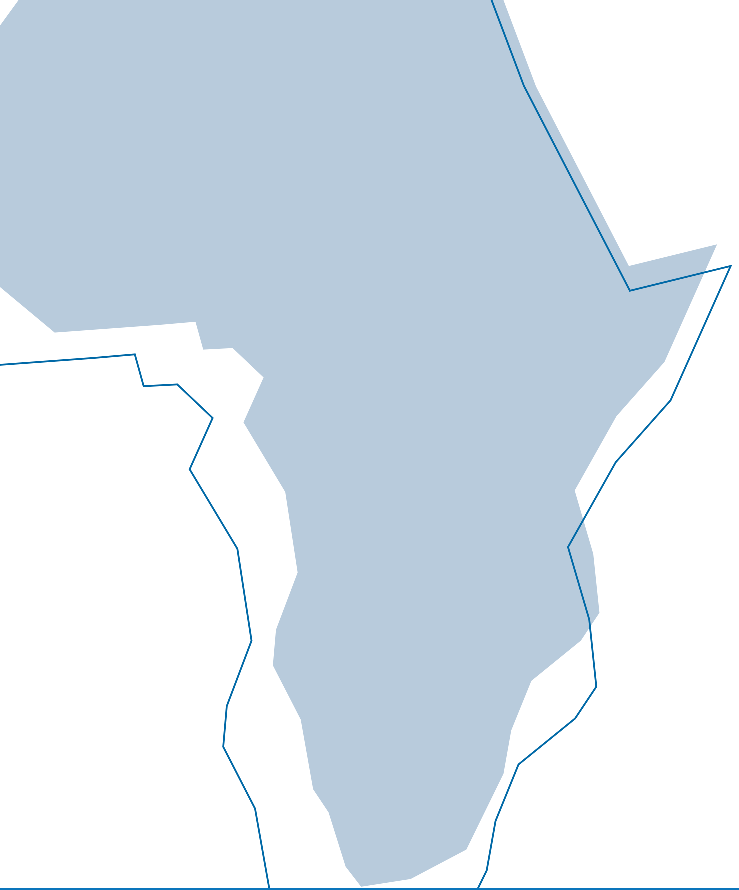
These changes to the global tax landscape have placed greater focus on related party transactions and the regulation of offshore financial centers. A number of countries have already implemented the BEPS requirements into their tax legislation. Botswana and Mauritius are in the process of updating their tax laws to comply with BEPS requirements.

From the Afinitas perspective, the Group has endeavoured to maintain transparency and arms length pricing in all related party transactions. At this stage the Board does not anticipate the new laws and regulations to have a material impact on the operations of your company.

Looking forward into the coming financial year, the board and management will focus now on revenue growth across the group. The existing corporate structure along with our talented team provide a strong platform to achieve this.

We look forward to another year of strong growth as we build a leading diversified Africa focused Group of companies.

Lesang Magang
Board Chairman



Managing Director's Report

It is my pleasure to present the Managing Director's report for the year ended 31st December 2017. Your company had a productive year which focused on building the teams, systems and corporate structures that will allow Afinitas to grow our investee companies into leaders in their field. Much of this time intensive work has now been concluded and the focus for 2018 can switch to revenue generation in each of the underlying companies. As a reminder at year end Afinitas had three investee companies each with a different focus area in Africa.

Adventis Limited
Adventis is a holding company for a range of investment funds. During the year under review Adventis purchased Africa Merchant Capital's investment management business, which managed the Africa Merchant Sub-Sahara Fund. The public equity fund was rebranded as the Adventis Africa Equity Fund. The fund has a strong track record with top quartile performance over a three year period to December 2017. The fund will continue to be managed by its founding portfolio manager Jonathan Kruger, who is supported by Michael Ashaolu as lead analyst on the fund. The team has been particularly successful at finding unique investment opportunities that aren't held in most other African equity mandates. Joseph Rohm, the CEO of Adventis Limited, will sit on the Investment Committee and bring his extensive experience to the fund management team. The fund mandate will be enhanced by broadening the investment universe to include North Africa.

In addition Adventis has agreed a joint venture with Saffron Wealth to promote the Adventis Africa Enhanced Income Fund. The fund is a debt fund that invests predominantly in USD African instruments. The fund was launched in March 2014, and has a strong institutional track record. Brandon Quinn will continue as portfolio manager of the fund, and will be supported by Anina Swiegers, who continues as lead analyst. Adventis benefits from the robust investment process and African macro-economic analysis at Saffron Wealth.

The launch of these two funds provides attractive synergies and strong support for the nascent Adventis Africa Financial Sector Deepening Fund, which is a local currency African debt fund. The fund is highly innovative in its approach to lend in long dated local currency to the top quality banks on the African continent. The Africa Financial Sector Deepening Fund, will be managed by Joseph Rohm, Managing Director of Adventis, and supported by co-portfolio manager, Michael Waller.

These two transactions give Adventis a clear competitive advantage in African asset management. The company will be able to generate attractive sustainable performance through having a highly experienced multi-talented team, proven investment process, established on the ground networks, strong research capabilities, and complementary asset management and capital markets experience. Adventis will continue to look for opportunities to position itself as a leading African investment management firm.

Africa Events Limited
Africa Events Limited is a Jersey based company focused on running high quality African investment focused events. We believe that the company's flagship event AFSIC has become the leading African investment event taking place annually in Europe. This event continued to show strong growth with a record number of delegates attending AFSIC 2017 which was held in London in May. AFSIC has considerable potential to grow in importance as a major Africa investment event in future years as it consolidates increasing numbers of business leaders, investors and dealmakers interested in Africa. During the year Africa Events also developed a number of investor focused events across Africa. We aim to grow these events over coming years as external investors become more interested in learning about investment opportunities across the African continent.

Ethiopia Investments Limited
Ethiopia Investments Limited is a holding company for investments in Ethiopia. It is our belief that Ethiopia is one of the most attractive countries in Africa in which to develop and grow new businesses. The country has experienced rapid economic growth over many years and has a strong economic growth focus.

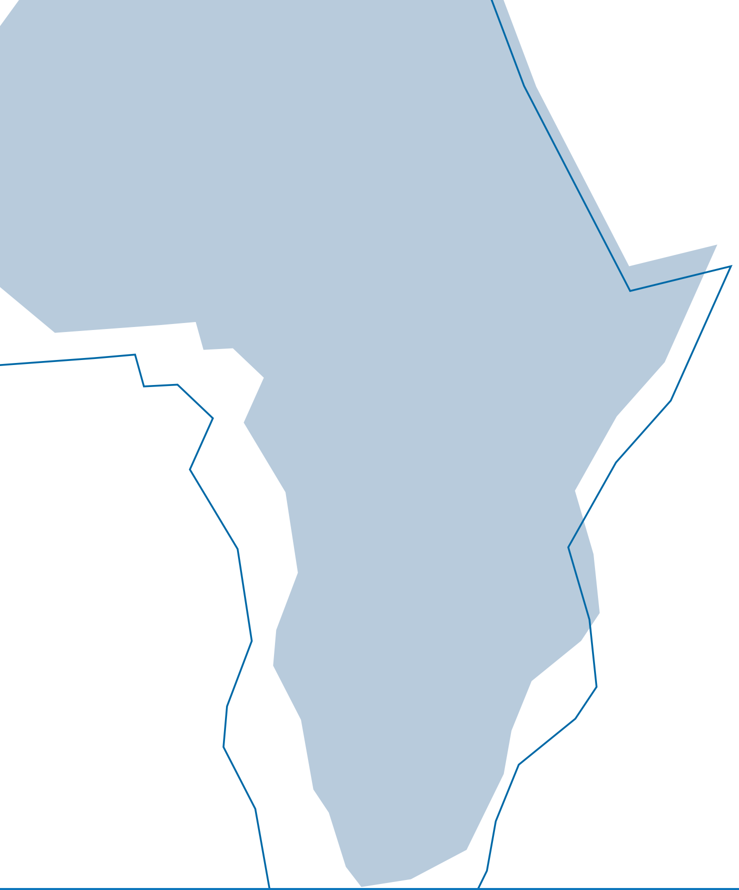
Your company currently has one investment in Ethiopia, EQOS Global ("EQOS") the country's first foreign owned Business Process Outsourcing company. EQOS has a special focus on working for clients located in the United States and United Kingdom as well as Ethiopia. Since its establishment, EQOS has grown staff to over 30 employees. The team has already provided services to both local and international customers, with a growing pipeline. The management team of EQOS is expecting to sign several additional agreements with professional services companies in Addis during 2018. EIL has a clear business strategy for its current and potential investments in Ethiopia. The Company will stay focused on continuing business development activities for EQOS by developing the international business and outsourcing sector in Ethiopia and actively look to produce superior long-term returns through additional investments in Ethiopia. EIL's permanent capital structure allows it to be opportunistic across: sectors (it can invest in sectors as they become approved for foreign investment), stage (it can invest in existing or greenfield) and ownership structure. The company's focus is to build net asset value as well as to generate dividends when it becomes commercially appropriate. Over time this should provide an attractive total return to its shareholders.

In line with the above strategy, the company continues to develop its pipeline in segments of the economy where the Directors see the most attractive investment and growth opportunities with a focus on job creation, import substitution and export revenue generation. This pipeline has been developed by leveraging the Directors' network of relationships in Ethiopia.

ICECAP Trust Limited
Post year end in March 2018, Afinitas acquired a stake in ICECAP Trust Limited, a new company that will provide trust, corporate and fund administration services from Jersey. GBP250 000.00 was invested in ICECAP to acquire a 10% shareholding.

Conclusion
In conclusion 2017 was a year of building appropriate corporate structures and systems that will allow your company to grow in future years, these are now mainly in place. The challenge for 2018 and onwards will be to focus on increasing revenue in all three of the investee companies.

Rupert McCammon
Managing Director



Board of Directors

1. Lesang Magang
Independent Non-Executive Chairman

Lesang is the Managing Director of Phakalane Estates (Pty) Ltd, a major property development company and one of the largest privately owned township developers involved in residential, commercial and industrial developments in Botswana.

2. Rupert McCammon
Managing Director

Rupert has worked extensively in Botswana and across Africa. In Botswana he has set up a number of companies including stockbroking, asset management and corporate finance companies. Across Africa, he has worked with a number of companies to raise funding.

3. Leutlwetse Tumelo
Executive Director

Leutlwetse has worked in both the capital market and resources sector in Botswana. He was previously the head of Client Services at Capital Securities. Leutlwetse is a director on Minergy Coal and Tshukudu Metals Botswana.

4. Keith Jefferis
Independent Non-Executive Director

Keith is the Managing Director at Econsult (Pty) Ltd, which specializes in research, economic commentary and policy analysis. He is an Independent Consultant at Botswana Insurance Fund Management Limited. Previously, Keith served as the Deputy Governor of the Bank of Botswana (BoB) where he worked extensively on the formulation and analysis of macroeconomic policy issues.

Corporate Governance

The Board of Afinitas recognises that in order for the Group to realise its vision, it is crucial to embrace a strong culture of corporate Governance within the group.

Investee companies are expected to conduct themselves in an ethical and socially acceptable manner in order for the group to be seen as a responsible corporate citizen.

Board of Directors
Afinitas Group is led by an independent Board of Directors. The role of the Board, is to:

- Develop and direct the strategy of the Group;
- Approve policies and plans that drive the Group strategy;
- Ensure accountability for the performance of the organisation and
- Oversee and monitor the implementation of the strategy.

The Board has adopted a Board Charter which defines the key responsibilities of the Board.

Composition of the Board
The Board of Directors for the Group comprises of two independent non-executive directors and two executive directors. Mr. Lesang Magang is the independent non-executive chairman and Dr. Keith Jefferis is an independent non-executive Director.

The executive directors on the Board are Mr. Rupert McCammon, Managing Director, and Mr. Leutlwetse Tumelo, Executive Director.

The Board considers the current mix of skills of the directors to be balanced, thus enhancing the effectiveness of the Board.

Each investee company within the Group is governed by a Board of Directors. Each Board is responsible for setting and monitoring implementation of the investee company's strategy. Currently, Afinitas has representation on each of the investee company Boards.

The composition of the Board and its effectiveness will continue to be reviewed annually.

Where necessary the composition of the Board will be changed by appointment of new directors or creating sub-committees to enhance effectiveness of the Board.

Board Committees
The Afinitas Board has not yet established any committees. All matters are handled by the Board and where necessary independent experts are appointed to advise the Board. The Board will continue to consider the need for committees in future and these will be introduced when it is deemed prudent to do so.

Board Meetings
Board meetings are held once every quarter to review key strategic issues.

Director's attendance at meetings

Director	Q12017	Q22017	Q32017	Q42017
LESANG MAGANG	Yes	Yes	Yes	Yes
KEITH JEFFERIS	Yes	Yes	Yes	Yes
RUPERT MCCAMMON	Yes	Yes	Yes	Yes
LEUTLWETSE TUMELO	Yes	Yes	Yes	Yes

Board Remuneration
All Directors of Afinitas are paid Director's fees. As disclosed in the prospectus Mr. McCammon does not earn a salary for his role as Managing Director. Mr. Tumelo earns a monthly salary in his capacity as Executive Director.

During the year, the following salaries/fees were paid to Directors.

Director	Salary	Directors fees	Total Pay
Lesang Magang		$7799	$7799
Keith Jefferis		$8644	$8644
Rupert McCammon		$7802	$7802
Leutlwetse Tumelo	$74 394		$74 394

Afinitas Limited currently has no share/option incentive scheme for its directors and employees. A share/option incentive scheme may be introduced by the Company going forward.

Appointment of Directors
As outlined in the company's constitution, the appointment of Directors is done by the Board of Directors. Each appointment has to be ratified by shareholders at the next AGM.

Directors of Afinitas also retire by rotation as specified in the constitution. The reappointment of any Director is subject to a vote by shareholders at the AGM.

Compliance
A key component in the governance of Afinitas Group is regulatory compliance at all levels in the Group. The Board has delegated the responsibility of ongoing compliance monitoring to the management of Afinitas Limited.

Management is therefore responsible for ensuring statutory and regulatory compliance in Afinitas and monitors compliance in each investee company. The Board is appraised regularly on the status of compliance within the Group.

Stakeholder Engagement
The Board is alert to the importance of effective stakeholder engagement as part of achieving the strategic objectives of the Group.

Effective stakeholder engagement ensures that key stakeholders are considered and informed of developments within the Group. The the Managing Director has been assigned the responsibility to engage regularly with key stakeholders of the Group.

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act (Cap 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Directors' Responsibilities and Approval

The directors have reviewed the group's cash flow forecast for the year to 31 December 2018 and, in light of this review and the current financial position, they are satisfied that the group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditors and their report is presented on pages 21 - 22.

The consolidated annual financial statements set out on pages 25 to 72, which have been prepared on the going concern basis, were approved by the board of directors on **19/03/2018** and were signed on its behalf by:

Approval of financial statements

Rupert McCammon
Director

Lesang Magang
Director

Gaborone

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Independent Auditor's Report

To the shareholders of Afinitas Limited

Opinion

We have audited the consolidated and separate annual financial statements of Afinitas Limited set out on pages 25 to 72, which comprise the statement of financial position as at 31 December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated and separate annual financial statements, including a summary of significant accounting policies. In our opinion, the consolidated and separate annual financial statements give a true and fair view of, the financial position of Afinitas Limited as at 31 December 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate annual financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of consolidated and separate annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinion on those key audit matters.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
Existence of investments The company's investments in subsidiaries represent the main operating activity of the company and form a significant component of their financial statement. The existence of these investments are critical to company's objective and operations. As a result verification of existence of these investments and ensuring title to these investments in company's name was significant to our audit.	Our audit procedures included verification of controls put in place by the entity to identify investments made and their appropriateness to be captured as investments in the accounting records of the company. We verified the title of the investments of the company and satisfied with the existence of the investments as at the year-end.
Valuation of investments Valuation of investments in subsidiaries and other financial instruments, being significant part of the financial statement and being the core business activity of the company were considered to be key audit matters. Investments are required to be accounted at the appropriate purchase cost and appropriately disclosed in the financial statements. Also the entity has investment that are measured at fair value which could affect reporting of fair value gains/ losses in the statement of comprehensive income and disclosures in the financial statements. Since there has been new investments in the current year by the entity, this has been identified as a key audit matter.	We have examined the supporting data to validate the investments and determine that the cost allocated to the investment is appropriate. We have obtained an understanding of the investments and controls in place towards valuation of the investments. We obtained confirmations and other supporting details through observable data to determine that the fair value of the investments measured using effective interest rate method are appropriate.

CONSOLIDATED
ANNUAL FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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Responsibilities of the directors for the Consolidated and Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated annual financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated and separate annual financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated and Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the subsidiaries or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

GRANT THORNTON

19 March 2018
Gaborone

Chartered Accountants
Certified Auditor: Mr. Aswin Vaidyanathan (Memb No:19980110)
Certified Auditor of Public Interest Entity
Certificate Number: CAP 0016 2017

CONSOLIDATED
ANNUAL FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Director's Report

The directors submit their report for the year ended 31 December 2017.

1. Review of activities

Main business and operations

The group is an investment holding company engaged in establishing and developing new businesses focused on Africa.

The operating results and state of affairs of the company are fully set out in the attached consolidated annual financial statements and do not in our opinion require any further comment.

2. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year.

3. Directors' interest in contracts

There were no contracts during the period where the directors had interest.

4. Stated capital

There were no changes in the authorised or issued stated capital of the group since the public issue.

5. Directors

The directors of the company during the year and to the date of this report are as follows:

Name	Nationality
Lesang Magang	Motswana
Rupert J McCammon	British
Leutlwetse M Tumelo	Motswana
Keith R Jefferis	Motswana

6. Secretary

The secretary of the company is Cycad (Proprietary) Limited .

7. Interest in subsidiaries

Details of material interests in subsidiary companies, associates and joint arrangements are presented in the consolidated consolidated annual financial statements in note 12.

Name of subsidiary	Country of incorporation if not Botswana
Africa Events Limited	Jersey Islands, United Kingdom
Adventis Limited	Jersey Islands, United Kingdom
Ethiopia Investments Limited	Mauritius

Details of the company's investment in subsidiaries are set out in note 12.

8. Auditors

Grant Thornton will continue in office in accordance with the Companies Act (Cap 42:01).

Statement of Profit/Loss and Other Comprehensive Income

for the year ended 31 December 2017

		Group		Company	
Figures in US Dollar	**Note**	**2017**	**2016**	**2017**	**2016**
Revenue	3	430 409	310 814	90 158	-
Other income	4	27 005	10 925	17 185	-
Other operating income/(losses)	5	12 735	-	(4 455)	-
Other operating expenses		(1 878 401)	(704 058)	(965 515)	(391 255)
Operating loss	**6**	**(1 408 252)**	**(382 319)**	**(862 627)**	**(391 255)**
Finance income	7	66 686	57 676	131 926	57 676
Impairment	8	-	-	(250 000)	-
Loss before taxation		**(1 341 566)**	**(324 643)**	**(980 701)**	**(333 579)**
Taxation	10	-	-	-	-
Loss for the year		**(1 341 566)**	**(324 643)**	**(980 701)**	**(333 579)**
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		(6 742)	(10 707)	-	-
Other comprehensive income for the year net of taxation	**9**	**(6 742)**	**(10 707)**	**-**	**-**
Total comprehensive loss for the year		**(1 348 308)**	**(335 350)**	**(980 701)**	**(333 579)**
Loss attributable to:					
Owners of the parent		(1 248 764)	(329 111)	(980 701)	(333 579)
Non-controlling interest		(92 802)	4 468	-	-
		(1 341 566)	**(324 643)**	**(980 701)**	**(333 579)**
Total comprehensive loss attributable to:					
Owners of the parent		(1 259 900)	(334 465)	(980 701)	(333 579)
Non-controlling interest		(88 408)	(885)	-	-
		(1 348 308)	**(335 350)**	**(980 701)**	**(333 579)**
Earnings per share					
Per share information					
Basic loss per share (c)		(0.63)	(0.15)	(0.46)	(0.16)
Diluted loss per share (c)		(0.63)	(0.15)	(0.46)	(0.16)

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Statement of Financial Position

as at 31 December 2017

		Group		Company	
Figures in US Dollar	**Note**	**2017**	**2016**	**2017**	**2016**
Assets					
Non-Current Assets					
Property, plant and equipment	11	95 026	36 774	41 475	36 774
Investments in subsidiaries	12	-	-	31 187	201
Loans to group companies	13	-	-	2 606 312	-
		95 026	**36 774**	**2 678 974**	**36 975**
Current Assets					
Loans to group companies	13	135	-	11 545	-
Trade and other receivables	16	151 827	58 344	50 792	114 861
Other financial assets	14	9 515	11 004	9 515	11 004
Current tax receivable		1 463	1 463	1 463	1 463
Cash and cash equivalents	17	7 290 967	8 664 244	4 998 823	8 542 174
		7 453 907	**8 735 055**	**5 072 138**	**8 669 502**
Total Assets		**7 548 933**	**8 771 829**	**7 751 112**	**8 706 477**
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Stated capital	18	9 067 560	9 067 560	9 067 560	9 067 560
Foreign currency translation reserves		(16 503)	(5 367)	-	-
Accumulated loss		(1 619 586)	(370 822)	(1 355 991)	(375 290)
		7 431 471	8 691 371	7 711 569	8 692 270
Non-controlling interest		(179 288)	(824)	-	-
		7 252 183	**8 690 547**	**7 711 569**	**8 692 270**
Liabilities					
Non-Current Liabilities					
Operating lease liability	20	2 910	-	2 910	-
Current Liabilities					
Trade and other payables	19	176 310	34 035	36 633	14 207
Loans from group companies	13	-	1 079	-	-
Deferred income		117 530	46 168	-	-
		293 840	**81 282**	**36 633**	**14 207**
Total Liabilities		**296 750**	**81 282**	**39 543**	**14 207**
Total Equity and Liabilities		**7 548 933**	**8 771 829**	**7 751 112**	**8 706 477**

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Statement of Changes in Equity
for the year ended 31 December 2017

Figures in US Dollar	Stated capital	Foreign currency translation reserves	Accumulated loss	Total attributable	Non-controlling to equity holders of the group/ company	Total equity interest
Group						
Balance at 01 January 2016	**9 067 560**	**(13)**	**(41 711)**	**9 025 836**	**61**	**9 025 897**
(Loss)/profit for the year	-	-	(329 111)	(329 111)	4 468	(324 643)
Other comprehensive income	-	(5 354)	-	(5 354)	(5 353)	(10 707)
Total comprehensive Loss for the year	**-**	**(5 354)**	**(329 111)**	**(334 465)**	**(885)**	**(335 350)**
Balance at 01 January 2017	**9 067 560**	**(5 367)**	**(370 822)**	**8 691 371**	**(824)**	**8 690 547**
(Loss)/profit for the year	-	-	(1 248 764)	(1 248 764)	(92 802)	(1 341 566)
Other comprehensive income	-	(11 136)	-	(11 136)	4 394	(6 742)
Total comprehensive Loss for the year	**-**	**(11 136)**	**(1 248 764)**	**(1 259 900)**	**(88 408)**	**(1 348 308)**
Changes in ownership interest	-	-	-	-	42	42
Dividends	-	-	-	-	(90 098)	(90 098)
Total changes recognised directly in equity	**-**	**-**	**-**	**-**	**(90 056)**	**(90 056)**
Balance at 31 December 2017	**9 067 560**	**(16 503)**	**(1 619 586)**	**7 431 471**	**(179 288)**	**7 252 183**
Note	18	9	9			
Company						
Balance at 01 January 2016	**9 067 560**	**-**	**(41 711)**	**9 025 849**	**-**	**9 025 849**
Loss for the year	-	-	(333 579)	(333 579)	-	(333 579)
Total comprehensive Loss for the year	**-**	**-**	**(333 579)**	**(333 579)**	**-**	**(333 579)**
Balance at 01 January 2017	**9 067 560**	**-**	**(375 290)**	**8 692 270**	**-**	**8 692 270**
Loss for the year	-	-	(980 701)	(980 701)	-	(980 701)
Total comprehensive Loss for the year	**-**	**-**	**(980 701)**	**(980 701)**	**-**	**(980 701)**
Balance at 31 December 2017	**9 067 560**	**-**	**(1 355 991)**	**7 711 569**	**-**	**7 711 569**
Note	18	9	9			

Statement of Cash Flows

for the year ended 31 December 2017

		Group		Company	
Figures in US Dollar	**Note**	**2017**	**2016**	**2017**	**2016**
Cash flows from operating activities					
Cash used in operations	21	(1 291 608)	(379 103)	(758 654)	(492 566)
Finance income		66 686	57 676	131 926	57 676
Tax paid	22	-	(499)	-	(499)
Net cash from operating activities		**(1 224 922)**	**(321 926)**	**(626 728)**	**(435 389)**
Cash flows from investing activities					
Purchase of property, plant and equipment	11	(73 380)	(36 765)	(14 814)	(36 765)
Movement in investments	23	-	-	(280 986)	(101)
Purchase of financial assets		1 489	240 269	1 489	240 269
Net cash from investing activities		**(71 891)**	**203 504**	**(294 311)**	**203 403**
Cash flows from financing activities					
Dividends paid		(90 098)	-	-	-
Loans advanced to group companies		(135)	-	(2 617 857)	-
Repayment of loans from group companies		(1 079)	(15 887)	-	-
Net cash from financing activities		**(91 312)**	**(15 887)**	**(2 617 857)**	**-**
Total cash and cash equivalents movement for the year		**(1 388 125)**	**(134 309)**	**(3 538 896)**	**(231 986)**
Cash and cash equivalents at the beginning of the year		8 664 244	8 798 553	8 542 174	8 774 160
Effect of exchange rate movement on cash balances		14 848	-	(4 455)	-
Total cash and cash equivalents at end of the year	**17**	**7 290 967**	**8 664 244**	**4 998 823**	**8 542 174**

Accounting Policies

Nature of operations and segmentation
The company is a pan African investment holding company that has a mandate to provide seed capital and develop new Africa focused businesses. The company is a venture capital entity listed on the Botswana Stock Exchange.

Operating segments are reported in a manner consistent with the internal reporting provided by management.

1. Presentation of consolidated annual financial statements

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards.The consolidated annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in US Dollars.
These accounting policies are consistent with the previous period.

1.1 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating-decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board that makes strategic decisions.

The basis of segmental reporting has been set out in note 31.

1.2 Consolidation

Basis of consolidation
The consolidated annual financial statements incorporate the consolidated annual financial statements of the company and all entities, including special purpose entities, which are controlled by the company.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use of its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the consolidated annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.
Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the company.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Business combinations
The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued.Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Accounting Policies cont.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interests in the acquiree are measured on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This treatment applies to non-controlling interests which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS's.

In cases where the group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

1.3 Significant judgements and sources of estimation uncertainty

In preparation the consolidated annual financial statements,management is required to make estimates and assumptions that affect the amounts represented in the consolidated annual financial statements and related disclosures. Use of available information and the application of judgement is used in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated annual financial statements. Significant judgements include:

Key sources of estimation uncertainty

Trade receivables
The group assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Fair value estimation
The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

Accounting Policies cont.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Impairment testing
The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

Provisions
Provisions were raised and management determined an estimate based on the information available.

Taxation
Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Contingent liabilities
Management applies its judgement to facts and advice it receives from its attorneys and other advisors in assessing if an obligation is probable, more likely than not, or remote. This judgement application is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

Useful life and residual value of property, plant and equipment
The estimates of useful lives as translated into depreciation rates are detailed in property, plant and equipment policy on the annual financial statements. These rates and residual lives of the assets are reviewed annually taking cognisance of the forecasted commercial and economic realities and through benchmarking of accounting treatments in the industry.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life

Accounting Policies cont.

Furniture and fixtures	Straight line	10 years
Office equipment	Straight line	10 years
IT equipment	Straight line	4 years
Other fixed assets	Straight line	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Interests in subsidiaries

Company consolidated annual financial statements
In the company's separate consolidated annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:
the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

1.6 Financial instruments

Classification
The group classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through profit or loss - held for trading
- Loans and receivables
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition and measurement
Financial instruments are recognised initially when the group becomes a party to the contractual provisions of the instruments.

The group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.
Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Accounting Policies cont.

Regular way purchases of financial assets are accounted for at trade date.

Subsequent measurement
Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss include dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the group's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Derecognition
Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Fair value determination
The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets
At each reporting date the group assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the group, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.
Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.
Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Loans to (from) group companies
These include loans to and from group companies are recognised initially at fair value plus direct transaction costs.
Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Accounting Policies cont.

Trade and other receivables
Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables
Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.7 Tax

Current tax assets and liabilities
Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates that have been substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities
A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted by the end of the reporting period.

Tax expenses
Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.8 Leases

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Accounting Policies cont.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.9 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:
- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.10 Stated capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.11 Employee benefits

Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

1.12 Provisions and contingencies

Accounting Policies cont.

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

1.13 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the group;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax. Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

1.14 Translation of foreign currencies

Functional and presentation currency
Items included in the consolidated annual financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated consolidated annual financial statements are presented in US Dollar which is the group functional and presentation currency.

Foreign currency transactions
A foreign currency transaction is recorded, on initial recognition in US Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:
- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss. Cash flows arising from transactions in a foreign currency are recorded in US Dollars by applying to the foreign currency amount the exchange rate between the US Dollar and the foreign currency at the date of the cash flow.
Investments in subsidiaries, joint ventures and associates

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Accounting Policies cont.

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:
- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.15 Deferred income and deferred expenses

Deferred income represents the amount received in advance against expenses that are deferred and are recognised when the outcome of a transaction involving the rendering of services can be estimated reliably.

Deferred expenses represent initial set up costs that are deferred and directly associated with the outcome of the transaction involving rendering of the service. These expenses are recognised in the income statement when the associated costs directly attributable to the revenue generated has been estimated reliably.

Notes to the Consolidated Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Amendments to IAS 7: Disclosure initiative
The amendment requires entities to provide additional disclosures for changes in liabilities arising from financing activities. Specifically, entities are now required to provide disclosure of the following changes in liabilities arising from financing activities:

- changes from financing cash flows;
- changes arising from obtaining or losing control of subsidiaries or other businesses;
- the effect of changes in foreign exchanges;
- changes in fair values; and
- other changes.

The effective date of the amendment is for years beginning on or after 01 January 2017.

The group has adopted the amendment for the first time in the 2017 consolidated annual financial statements. The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 January 2018 or later periods:

- IFRS 16 Leases
- IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the group are as follows:

Group as lessee:
Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.

The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.

The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.

The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.

The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.

Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.

Notes to the Consolidated Annual Financial Statements cont.

Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.

Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.

Group as lessor:
Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.

A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.

If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.

Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.
Sale and leaseback transactions:

In the event of a sale and leaseback transaction, the requirements of IFRS 15 are applied to consider whether a performance obligation is satisfied to determine whether the transfer of the asset is accounted for as the sale of an asset.

If the transfer meets the requirements to be recognised as a sale, the seller-lessee must measure the new right-of-use asset at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The buyer-lessor accounts for the purchase by applying applicable standards and for the lease by applying IFRS 16

If the fair value of consideration for the sale is not equal to the fair value of the asset, then IFRS 16 requires adjustments to be made to the sale proceeds. When the transfer of the asset is not a sale, then the seller-lessee continues to recognise the transferred asset and recognises a financial liability equal to the transfer proceeds. The buyer-lessor recognises a financial asset equal to the transfer proceeds.

The effective date of the standard is for years beginning on or after 01 January 2019.

The group expects to adopt the standard for the first time in the 2019 consolidated annual financial statements.

The impact of this standard is currently being assessed.

Amendments to IFRS 15: Clarifications to IFRS 15 Revenue from Contracts with Customers
The amendment provides clarification and further guidance regarding certain issues in IFRS 15. These items include guidance in assessing whether promises to transfer goods or services are separately identifiable; guidance regarding agent versus principal considerations; and guidance regarding licenses and royalties.

The effective date of the amendment is for years beginning on or after 01 January 2018.
The group expects to adopt the amendment for the first time in the 2018 consolidated annual financial statements.
The impact of this standard is currently being assessed.

IFRS 9 Financial Instruments
IFRS 9 issued in November 2009 introduced new requirements for the classification and measurements of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a)impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Notes to the Consolidated Annual Financial Statements
cont.

Key requirements of IFRS 9:
All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the outstanding principal are generally measured at amortised cost at the end of subsequent reporting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on outstanding principal, are measured at FVTOCI. All other debt and equity investments are measured at fair value at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income with only dividend income generally recognised in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability is presented in other comprehensive income, unless the recognition of the effect of the changes of the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Under IAS 39, the entire amount of the change in fair value of a financial liability designated as at fair value through profit or loss is presented in profit or loss.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. It is therefore no longer necessary for a credit event to have occurred before credit losses are recognised.

The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principal of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The effective date of the standard is for years beginning on or after 01 January 2018.
The group expects to adopt the standard for the first time in the 2018 consolidated annual financial statements.
The impact of this standard is currently being assessed.

IFRS 15 Revenue from Contracts with Customers
IFRS 15 supersedes IAS 11 Construction contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the construction of Real Estate; IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue - Barter Transactions Involving Advertising Services.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also includes extensive new disclosure requirements.
The effective date of the standard is for years beginning on or after 01 January 2018.
The group expects to adopt the standard for the first time in the 2018 consolidated annual financial statements.
The impact of this standard is currently being assessed.

Notes to the Consolidated Annual Financial Statements
cont.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**
3. Revenue				
Rendering of services	430 409	310 814	-	-
Dividends received	-	-	90 158	-
	430 409	**310 814**	**90 158**	**-**
4. Other income				
Sundry income	27 005	10 925	17 185	-
5. Other operating income/ (losses)				
Net foreign exchange gains (losses)	12 735	-	(4 455)	-

6. Operating loss
Operating loss for the year is stated after charging the following, amongst others:

	Group 2017	Group 2016	Company 2017	Company 2016
Auditor's remuneration - external				
Audit fees	22 431	7 521	10 541	7 521
Expenses by nature				
Employee costs	432 560	186 706	130 837	91 591
Operating lease charges	46 823	22 675	29 645	22 675
Depreciation, amortisation and impairment	15 825	2 824	10 113	2 824
Other expenses	485 827	280 479	171 749	101 764
Consulting and professional fees	751 602	157 045	507 897	131 623
Travel expenses	145 764	54 329	115 274	40 778
	1 878 401	**704 058**	**965 515**	**391 255**

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	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**
7. Finance income				
Interest income				
From investments in financial assets:				
Interest on fixed deposit Stanbic Bank Limited	60 177	52 219	55 516	52 219
Interest on African Alliance Limited	2 657	3 224	2 657	3 224
Interest on banks	3 852	2 233	3 793	2 233
From loans to group and other related parties:				
Subsidiaries	-	-	69 960	-
Total interest income	**66 686**	**57 676**	**131 926**	**57 676**
8.Impairment				
Impairment loss on				
Investment in subsidiary	-	-	(250 000)	-

During the year, the Group conducted impairment review of the carrying value of its investments in subsidiaries as part of its comprehensive periodic review. The value in use was calculated as the present value of the projected future cash flows, among other factors that were considered by Management. EQOS Service (Proprietary) Limited, a subsidiary of Ethiopia Investments Limited was assessed to have been impaired, hence the management impaired the holding company's interest in Ethiopia Investments Limited. The realisable value was less than the carrying value and a provision for impairment of $250 000 was recognized in the current period.

Notes to the Consolidated Annual Financial Statements
cont.

9. Other comprehensive income

Components of other comprehensive income - Group - 2017	**Gross**	**Tax**	**Net before non-controlling interest**	**Non-controlling interest**	**Net**
Items that may be reclassified to profit (loss)					
Exchange differences on translating foreign operations					
Exchange differences arising during the year	(6 742)	-	(6 742)	(4 394)	(11 136)
Components of other comprehensive income - Group - 2016					
Items that may be reclassified to profit (loss)					
Exchange differences on translating foreign operations					
Exchange differences arising during the year	(10 707)	-	(10 707)	5 353	(5 354)

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cont.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**
10. Taxation				
Reconciliation of the tax expense Reconciliation between accounting profit and tax expense.				
Accounting loss	(1 341 566)	(324 643)	(980 701)	(333 579)
Tax at the applicable tax rate of 15% (2016: 15%)	(201 235)	(48 696)	(147 105)	(50 037)
Tax effect of adjustments on taxable income				
Deferred tax not recognised	201 235	48 696	147 105	50 037
	-	-	-	-

The company has a carry forward loss during the current year. The company has not recognised a deferred tax asset since the company expects to earn income that is exempt in nature in the foreseeable future, and thus would not be able to claim back the carry forward losses.

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	2017 Cost	2017 Accumulated Depreciation	2017 Carrying Value	2016 Cost	2016 Accumulated Depreciation	2016 Carrying Value
11. Property, plant and equipment						
Group						
Furniture and fixtures	23 193	(2 543)	20 650	3 721	(306)	3 415
Office equipment	1 132	(121)	1 011	402	(27)	375
IT equipment	64 162	(10 214)	53 948	10 982	(2 373)	8 609
Other fixed assets	24 788	(5 371)	19 417	24 788	(413)	24 375
Total	**113 275**	**(18 249)**	**95 026**	**39 893**	**(3 119)**	**36 774**
Company						
Furniture and fixtures	11 353	(1 938)	9 415	3 721	(306)	3 415
Office equipment	1 132	(121)	1 011	402	(27)	375
IT equipment	17 435	(5 803)	11 632	10 982	(2 373)	8 609
Other fixed assets	24 788	(5 371)	19 417	24 788	(413)	24 375
Total	**54 708**	**(13 233)**	**41 475**	**39 893**	**(3 119)**	**36 774**

Reconciliation of property, plant and equipment - Group - 2017

	Opening Balance	Additions	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	3 415	19 471	78	(2 314)	20 650
Office equipment	375	730	-	(94)	1 011
IT equipment	8 609	53 179	619	(8 459)	53 948
Other fixed assets	24 375	-	-	(4 958)	19 417
	36 774	**73 380**	**697**	**(15 825)**	**95 026**

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	Opening Balance	Additions	Depre-ciation	Total
11. Property, plant and equipment (cont.)				
Reconciliation of property, plant and equipment - Group - 2016				
Furniture and fixtures	-	3 721	(306)	3 415
Office equipment	-	402	(27)	375
IT equipment	2 833	7 854	(2 078)	8 609
Other fixed assets	-	24 788	(413)	24 375
	2 833	**36 765**	**(2 824)**	**36 774**
Reconciliation of property, plant and equipment - Company - 2017				
Furniture and fixtures	3 415	7 631	(1 631)	9 415
Office equipment	375	730	(94)	1 011
IT equipment	8 609	6 453	(3 430)	11 632
Other fixed assets	24 375	-	(4 958)	19 417
	36 774	**14 814**	**(10 113)**	**41 475**
Reconciliation of property, plant and equipment - Company - 2016				
Furniture and fixtures	-	3 721	(306)	3 415
Office equipment	-	402	(27)	375
IT equipment	2 833	7 854	(2 078)	8 609
Other fixed assets	-	24 788	(413)	24 375
	2 833	**36 765**	**(2 824)**	**36 774**

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	% voting power 2017	% voting power 2016	% holding 2017	% holding 2016	Carrying amount 2017	Carrying amount 2016
12. Investment in subsidiaries						
Company						
Africa Events Limited incorporated in Jersey Islands, United Kingdom	50.00%	50.00%	50.00%	50.00%	100	100
Adventis Limited incorporated in Jersey Islands, United Kingdom	66.00%	50.00%	66.00%	50.00%	87	1
Ethiopia Investments Limited incorporated in Mauritius	100.00%	100.00%	100.00%	100.00%	281 000	100
					281 187	201
Impairment of investment in Ethiopia Investments Limited (Refer to note 8)	-	-	-	-	(250 000)	-
					31 187	201

Significant judgements and assumptions
The group holds 50% of ordinary shares in Africa Events Limited and has control and significant influence over the company.

Subsidiaries with material non-controlling interests

The following information is provided for subsidiaries with non-controlling interests which are material to the reporting company. The summarised financial information is provided prior to intercompany eliminations.

Subsidiary	Country of incoporation	% Ownership non-controlling 2017	Ownership non-controlling 2016
Africa Events Limited	Jersey	50 %	50 %
Adventis Limited	Jersey	34 %	50 %

Notes to the Consolidated Annual Financial Statements
cont.

12. Investment in subsidiaries (cont.)

Subsidiary

The dividends paid to Non-Controlling Interest by Africa Events Limited were $90 098 (2016: $ Nil). In Adventis Limited there were no dividends paid.

Summarised statement of financial position

	Africa Events Limited 2017	2016	Adventis Limited 2017	2016	Total 2017	2016
Assets						
Non-current assets	628	-	-	-	628	-
Current assets	296 568	173 878	2 027 580	2	2 324 148	173 880
Total assets	297 196	173 878	2 027 580	2		-
Liabilities						
Current liabilities	210 618	67 076	2 641 154	108 424	2 851 772	175 500
Total liabilities	210 618	67 076	2 641 154	108 424	2 851 772	175 500
Total net assets (liabilities)	86 578	106 802	(613 574)	(108 422)	(526 996)	(1 620)
Carrying amount of non-controlling interest	43 289	53 401	(222 577)	(54 225)	(179 288)	(824)
Non-controlling interest in all other subsidiaries					-	-
Non-controlling interest per statement of financial position					**(179 288)**	**(824)**

Notes to the Consolidated Annual Financial Statements
cont.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**

12. Investments in subsidiaries (cont.)

Summarised statement of profit or loss and other comprehensive income

	Africa Events Limited 2017	2016	Adventis Limited 2017	2016	Total 2017	2016
Revenue	430 409	310 814	-	-	430 409	310 814
Other income and expenses	(279 164)	(193 454)	(505 280)	(108 424)	(784 444)	(301 878)
Profit before tax	151 245	117 360	(505 280)	(108 424)	(354 035)	8 936
Profit (loss)	151 245	117 360	(505 280)	(108 424)	(354 035)	8 936
Other comprehensive income	8 788	(10 694)	-	-	8 788	(10 694)
Total comprehensive income	160 033	106 666	(505 280)	(108 424)	(345 247)	(1 758)

Summarised statement of cash flows

	Africa Events Limited 2017	2016	Adventis Limited 2017	2016	Total 2017	2016
Cash flows from operating activities	257 399	124 272	(401 686)	(108 427)	(144 287)	15 845
Cash flows from investing activities	9 880	(15 887)	-	-	9 880	(15 887)
Cash flows from financing activities	(180 257)	-	2 411 832	108 427	(2 231 575)	108 427
Net increase (decrease) in cash and cash equivalents	87 022	108 385	2 010 146	-	2 097 168	108 385

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cont.

Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
13. Loans to (from) group companies				
Related companies				
Capital Africa Limited	135	(1 079)	-	-
The above loans are unsecured, carry no interest and are repayable on demand.				
Fellow subsidiaries				
Africa Events Limited				
The above loans are unsecured, carry no interest and are repayable on demand.	-	-	11 545	-
Adventis Limited				
The loan is unsecured, bears interest at 3% plus a margin at the 12 month USD LIBOR rate.	-	-	2 606 312	-
	-	-	2 617 857	-
Non-current assets	-	-	2 606 312	-
Current assets	135	-	11 545	-
Current liabilities	-	(1 079)	-	-
	135	**(1 079)**	**2 617 857**	**-**

Fair value of loans to and from group companies
The fair value of loan to and from related companies approximates its fair value.

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Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
14. Other financial assets				
At fair value through profit or loss - held for trading				
African Alliance Botswana Liquidity Fund	9 515	11 004	9 515	11 004
Current assets				
At fair value through profit or loss - held for trading	9 515	11 004	9 515	11 004

Fair value hierarchy of financial assets at fair value through profit or loss
For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.
Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

Level 2

	Group 2017	Group 2016	Company 2017	Company 2016
African Alliance Botswana Liquidity Fund	9 515	11 004	9 515	11 004

Credit quality of other financial assets
The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

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	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**

15. Deferred tax

Recognition of deferred tax asset
The group does not recognise deferred tax asset on the losses carried forward since the management forecasts that the group will be making profits that are exempt from tax in the foreseeable future.

16. Trade and other receivables

Trade receivables	49	51	49	49
Amounts due from related parties	-	-	23 180	108 425
Prepayments	60 328	27 732	26 011	4 835
Deposits	1 552	1 552	1 552	1 552
Deferred expenses	44 394	29 009	-	-
Other receivables	45 504	-	-	-
	151 827	**58 344**	**50 792**	**114 861**

Fair value of trade and other receivables

Fair value of trade and other receivables

The carrying amounts of trade and other receivables approximates its fair value.

Trade and other receivables past due but not impaired

There are no trade and other receivables which are past due or impaired as at the year end.

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	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**

17. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 353	584	827	584
Bank balances	2 353 906	501 509	62 288	379 439
Short-term deposits	4 935 708	8 162 151	4 935 708	8 162 151
	7 290 967	**8 664 244**	**4 998 823**	**8 542 174**

Credit quality of cash at bank and short term deposits, excluding cash on hand
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. Though the banks in Botswana are not rated, they are subsidiaries of reputed financial institutions located in South Africa and United Kingdom.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are either past due nor impaired can be assessed by reference to external credit ratings. Zemen bank is a financial institution located in Ethiopia.

18. Stated capital

Number of shares issued:				
Number of shares in issue:	213 946 250	213 946 250	213 946 250	213 946 250
Reconciliation of number of shares issued:				
Number of share at the beginning and end of the year	213 946 250	213 946 250	213 946 250	213 946 250
Issued				
Ordinary shares of no par value	9 164 838	9 164 838	9 164 838	9 164 838
less: issue costs	(97 278)	(97 278)	(97 278)	(97 278)
	9 067 560	**9 067 560**	**9 067 560**	**9 067 560**

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cont.

Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
19. Trade and other payables				
Trade payables	4 307	3 246	4 302	2 979
Value added tax	14 875	8 973	-	-
Accrued expenses	5 482	12 427	840	7 323
Other payables	151 646	9 389	31 491	3 905
	176 310	**34 035**	**36 633**	**14 207**

Fair value of trade and other payables

The carrying amounts of trade and other payables approximates its fair value.

Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
20. Operating lease liability				
Operating lease liability	2 910	-	2 910	-
21. Cash used in operations				
Loss before taxation	(1 341 566)	(324 643)	(980 701)	(333 579)
Adjustments for:				
Depreciation	15 825	2 824	10 113	2 824
Finance income	(66 686)	(57 676)	(131 926)	(57 676)
Impairment losses and reversals	-	-	250 000	-
Movements in operating lease assets and accruals	2 910	-	2 910	-
Foreign exchange differences	(22 245)	(10 709)	4 455	-
Changes in working capital:				
Trade and other receivables	(93 483)	26 047	64 069	(114 814)
Trade and other payables	142 275	19 074	22 426	10 679
Deferred income	71 362	(34 020)	-	-
	(1 291 608)	**(379 103)**	**(758 654)**	**(492 566)**

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Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
22. Tax paid				
Balance at beginning of the year	1 463	964	1 463	964
Balance at end of the year	(1 463)	(1 463)	(1 463)	(1 463)
	-	**(499)**	**-**	**(499)**
23. Movement in investments				
Fair value of assets acquired				
Equity	-	-	280 986	101
Consideration paid				
Cash	-	-	(280 986)	(101)
Net cash outflow on acquisition				
Cash consideration paid	-	-	(280 986)	(101)

24. Commitments

Authorised capital expenditure
The Board of directors have committed to invest USD 2.5 million, to be allocated to Ethiopia Investments Limited to fund future investments.

Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
Leased property				
Minimum lease payments due				
- within one year	34 290	18 497	20 989	18 497
- in second to fifth year inclusive	62 171	77 683	62 171	77 683
	96 461	**96 180**	**83 160**	**96 180**

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cont.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**
25. Basic and diluted earnings per share				
Basic and diluted earnings per share is calculated by dividing the earnings attributable to the share holders by the weighted average number of shares in issue during the year.				
Basic loss	(1 341 566)	(324 643)	(980 701)	(333 579)
Basic loss per share (in cents)	(0.627)	(0.152)	(0.458)	(0.156)
Diluted loss per share (in cents)	(0.627)	(0.152)	(0.458)	(0.156)
Weighted average number of shares at year end	213 946 250	213 946 250	213 946 250	213 946 250

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26. Top ten shareholders information

Top 10 Shareholder included in Page 6 of the Annual Report.

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Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
27. Related parties				

Relationships	Subsidiaries	**Africa Events Limited** **Ethiopia Investments Limited** **EQOS Services (Proprietary) Limited**	**Adventis Limited** **EQOS Holding Limited**
	Other related companies	**Capital Africa Limited**	
Members of key management		**Rupert McCammon** **Joseph Rohm** **Graham Parrott**	**Leutlwetse Tumelo** **Sean Keough**

Figures in US Dollar	Group 2017	Group 2016	Company 2017	Company 2016
Related party balances				
Loan accounts - Owing (to) by related parties				
Capital Africa Limited	135	(1 079)	-	-
Africa Events Limited	-	-	11 545	-
Adventis Limited	-	-	2 606 312	-
	135	**(1 079)**	**2 617 857**	**-**
Amounts included in other receivables (payables) regarding related parties				
Adventis Limited	-	-	11 590	108 425
Joseph Rohm	(22 917)	-	-	-
	(22 917)	**-**	**11 590**	**108 425**
Related party transactions				
Interest paid to (received from) related parties				
Adventis Limited	-	-	(69 960)	-
Compensation to director and other key management				
Director fees	28 152	34 467	28 152	34 467
Directors remuneration	346 226	135 968	71 222	44 380
	374 378	**170 435**	**99 374**	**78 847**

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cont.

	Note	Financial assets at fair value through profit/ loss	Loans & receiva-bles	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments							
Categories of financial instruments - Group - 2017							
Assets							
Non-Current Assets							
Property, plant and equipment	11	-	-	-	-	95 026	95 026
Current Assets							
Loans to group companies	13	-	135	-	-	-	135
Trade and other receivables	16	-	91 499	-	-	60 328	151 827
Other financial assets	14	9 515	-	-	-	-	9 515
Current tax receivable		-	-	-	-	1 463	1 463
Cash and cash equivalents	17	-	7 290 967	-	-	-	7 290 967
		9 515	**7 382 601**	**-**	**-**	**61 791**	**7 453 907**
Total Assets		**9 515**	**7 382 601**	**-**	**-**	**156 817**	**7 548 933**
Equity and Liabilities							
Equity							
Equity Attributable to Equity Holders of Parent:							
Stated capital	18	-	-	-	-	9 067 560	9 067 560
Foreign currency translation reserves		-	-	-	-	(16 503)	(16 503)
Accumulated loss		-	-	-	-	(1 619 586)	(1 619 586)
		-	**-**	**-**	**-**	**7 431 471**	**7 431 471**
Non-controlling interest		-	-	-	-	(179 288)	(179 288)
Total Equity		**-**	**-**	**-**	**-**	**7 252 183**	**7 252 183**

Notes to the Consolidated Annual Financial Statements
cont.

	Note	Financial assets at fair value through profit/ loss	Loans & receiva-bles	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments cont.							
Liabilities							
Non-Current Liabilities							
Operating lease liability	20	-	-	-	2 910	-	2 910
Current Liabilities							
Trade and other payables	19	-	-	161 435	-	14 875	176 310
Deferred income		-	-	-	-	117 530	117 530
		-	**-**	**161 435**	**-**	**132 405**	**293 840**
Total Liabilities		**-**	**-**	**161 435**	**2 910**	**132 405**	**296 750**
Total Equity and Liabilities		**-**	**-**	**161 435**	**2 910**	**7 384 588**	**7 548 933**

Categories of financial instruments - Group - 2016

	Note	Financial assets at fair value through profit/ loss	Loans & receiva-bles	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
Assets							
Non-Current Assets							
Property, plant and equipment	11	-	-	-	-	36 774	36 774
Current Assets							
Trade and other receivables	16	-	30 612	-	-	58 293	58 344
Other financial assets	14	11 004	-	-	-	-	11 004
Current tax receivable		-	-	-	-	1 463	1 463
Cash and cash equivalents	17	-	8 664 244	-	-	-	8 664 244
		11 004	**8 694 856**	**-**	**-**	**59 756**	**8 735 055**
Total Assets		**11 004**	**8 694 856**	**-**	**-**	**96 530**	**8 771 829**

Notes to the Consolidated Annual Financial Statements
cont.

	Note	Financial assets at fair value through profit/ loss	Loans & receiva-bles	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments cont.							
Equity and Liabilities							
Equity Equity Attributable to Equity Holders of Parent:							
Stated capital	18	-	-	-	-	9 067 560	9 067 560
Foreign currency translation reserves		-	-	-	-	(5 367)	(5 367)
Accumulated loss		-	-	-	-	(370 822)	(370 822)
		-	**-**	**-**	**-**	**8 691 371**	**8 691 371**
Non-controlling interest		-	-	-	-	(824)	(824)
Total Equity		**-**	**-**	**-**	**-**	**8 690 547**	**8 690 547**
Liabilities							
Current Liabilities							
Trade and other payables	19	-	-	43 008	(8 973)	-	34 035
Loans from group companies	13	-	-	1 079	-	-	1 079
Deferred income		-	-	-	-	46 168	46 168
		-	**-**	**26 141**	**-**	**55 141**	**81 282**
Total Liabilities		**-**	**-**	**26 141**	**-**	**55 141**	**81 282**
Total Equity and Liabilities		**-**	**-**	**26 141**	**-**	**8 745 688**	**8 771 829**

Notes to the Consolidated Annual Financial Statements
cont.

	Note	Financial assets at fair value through profit/loss	Loans & receivables	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments cont.							
Categories of financial instruments - Company - 2017							
Assets							
Non-Current Assets							
Property, plant and equipment	11	-	-	-	-	41 475	41 475
Investments in subsidiaries	12	-	-	-	-	31 187	31 187
Loans to group companies	13	-	2 606 312	-	-	-	2 606 312
		-	**2 606 312**	**-**	**-**	**72 662**	**2 678 974**
Current Assets							
Loans to group companies	13	-	11 545	-	-	-	11 545
Trade and other receivables	16	-	24 781	-	-	26 011	50 792
Other financial assets	14	9 515	-	-	-	-	9 515
Current tax receivable		-	-	-	-	1 463	1 463
Cash and cash equivalents	17	-	4 998 823	-	-	-	4 998 823
		9 515	**5 035 149**	**-**	**-**	**27 474**	**5 072 138**
Total Assets		**9 515**	**7 641 461**	**-**	**-**	**100 136**	**7 751 112**

Notes to the Consolidated Annual Financial Statements
cont.

	Note	Financial assets at fair value through profit/loss	Loans & receivables	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments cont.							
Equity and Liabilities							
Equity							
Equity Attributable to Equity Holders of Parent:							
Stated capital	18	-	-	-	-	9 067 560	9 067 560
Accumulated loss		-	-	-	-	(1 355 991)	(1 355 991)
		-	**-**	**-**	**-**	**7 711 569**	**7 711 569**
Total Equity		**-**	**-**	**-**	**-**	**7 711 569**	**7 711 569**
Liabilities							
Non-Current Liabilities							
Operating lease liability	20	-	-	-	2 910	-	2 910
Current Liabilities							
Trade and other payables	19	-	-	36 633	-	-	36 633
Total Liabilities		**-**	**-**	**36 633**	**2 910**	**-**	**39 543**
Total Equity and Liabilities		**-**	**-**	**36 633**	**2 910**	**7 711 569**	**7 751 112**

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cont.

	Note	Financial assets at fair value through profit/ loss	Loans & receiva-bles	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments cont.							
Categories of financial instruments - Company - 2016							
Assets							
Non-Current Assets							
Property, plant and equipment	11	-	-	-	-	36 774	36 774
Investments in subsidiaries	12	-	-	-	-	201	201
		-	**-**	**-**	**-**	**36 975**	**36 975**
Current Assets							
Trade and other receivables	16	-	108 474	-	-	6 387	114 861
Other financial assets	14	11 004	-	-	-	-	11 004
Current tax receivable		-	-	-	-	1 463	1 463
Cash and cash equivalents	17	-	8 542 174	-	-	-	8 542 174
		11 004	**8 650 648**	**-**	**-**	**7 850**	**8 669 502**
Total Assets		**11 004**	**8 650 648**	**-**	**-**	**43 273**	**8 706 477**

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cont.

	Note	Financial assets at fair value through profit/ loss	Loans & receiva-bles	Financial liabilities at armotised cost	Leases	Equity & non-financial assets & liabilities	Total
28. Categories of financial instruments cont.							
Equity and Liabilities							
Equity							
Equity Attributable to Equity Holders of Parent:							
Stated capital	18	-	-	-	-	9 067 560	9 067 560
Accumulated loss		-	-	-	-	(375 290)	(375 290)
		-	**-**	**-**	**-**	**8 692 270**	**8 692 270**
Total Equity		**-**	**-**	**-**	**-**	**8 692 270**	**8 692 270**
Liabilities							
Current Liabilities							
Trade and other payables	19	-	-	14 207	-	-	14 207
Total Liabilities		**-**	**-**	**14 207**	**-**	**-**	**14 207**
Total Equity and Liabilities		**-**	**-**	**14 207**	**-**	**8 692 270**	**8 706 477**

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cont.

Notes to the Consolidated Annual Financial Statements
cont.

29. Risk management

Capital risk management
The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the group consists of cash and cash equivalents disclosed in note 17, and equity as disclosed in the statement of financial position. There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management
The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The group's risk to liquidity is a result of the funds available to cover future commitments. The group manages liquidity risk through an ongoing review of future commitments.

The table below analyses the group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**
29. Risk management cont.				
Group				
At 31 December 2017				
Less than 1 year				
Trade and other payables	161 435			
At 31 December 2016				
Less than 1 year				
Loans from related companies		1 079		
Trade and other payables		25 062		
Company				
At 31 December 2017				
Less than 1 year				
Trade and other payables			36 633	
At 31 December 2016				
Less than 1 year				
Trade and other payables				14 207

Notes to the Consolidated Annual Financial Statements
cont.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**

29. Risk management cont.

Credit risk
Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument				
Loans to related parties	135	-	2 546 320	-
Trade and other receivables	45 553	51	23 229	108 474
Cash and cash equivalents	7 289 614	8 663 660	4 997 996	8 541 590

Foreign exchange risk

The group does not hedge foreign exchange fluctuations.

Foreign currency exposure at the end of the reporting period

Current assets				
Other financial asset BWP 95280 (2016: BWP 117 961)	9 515	11 004	9 515	11 004
Cash and cash equivalents BWP 8660 (2016: BWP 82 552)	936	7 701	936	7 701
Cash and cash equivalents ETB 765 229 (2016: ETB 1 596 590)	26 583	71 037	27 410	71 037

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cont.

	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**

30. Fair value information

Fair value hierarchy
The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.
Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 2
Recurring fair value measurements
Assets

Financial assets at fair value through profit (loss) - held for trading 14

African Alliance Botswana Liquidity Fund	9 515	11 004	9 515	11 004
Total	**9 515**	**11 004**	**9 515**	**11 004**

Valuation techniques used to derive level 2 fair values
The Group's investment in African Alliance Botswana Liquidity Fund is not traded in an active market. These have been fair valued using observable interest rates corresponding to the maturity of the fund. The effects of non-observable inputs are not significant for the fund.

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	Group		Company	
Figures in US Dollar	**2017**	**2016**	**2017**	**2016**

31. Segment reporting

Segment information is organised into categories based on geographical location of the operations. The segments are the basis in which the group reports on the performance of its operations.

2017	**Botswana**	**Outside Botswana**	**Total**
Revenues	-	430 409	430 409
Other operating income	17 185	26 747	43 932
Other operating gains/ (losses)	(4 455)	(3 776)	(8 231)
Finance income	61 966	4 720	66 686
Operating expenses	(965 515)	(912 886)	(1 878 401)
Operating loss	**(890 819)**	**(450 747)**	**(1 341 566)**
Segment Assets and Liabilities			
Assets	5 090 433	2 458 500	7 548 933
Liabilities	(33 723)	(263 027)	(296 750)
	5 056 710	**2 195 473**	**7 252 183**

2016			
	-	310 813	310 813
Other income	-	10 925	10 925
Finance income	57 676	-	57 676
Operating expenses	(391 255)	(312 802)	(704 057)
	(333 579)	**8 936**	**(324 643)**
Segment Assets and Liabilities			
Assets	8 597 851	173 978	8 771 829
Liabilities	(14 207)	(67 075)	(81 282)
	8 583 644	**106 903**	**8 690 547**

The company operating in Botswana is Afinitas Limited. The companies operating outside Botswana are Africa Events Limited, Adventis Limited and Ethiopia Investments Limited and its subsidiaries.

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32. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Notice of Annual General Meeting

Registration no CO 2014/5015

Notice is hereby given that the Annual General Meeting of Afinitas Limited will be held at Afinitas Limited, Office 6A, i-Towers, Plot 54368, CBD, Gaborone, Botswana on Friday 22nd June 2018 at 1500hrs for the following business:

To consider and if thought fit pass with or without amendment the following resolutions:

1. Ordinary Resolution 1:
To receive, approve and adopt the audited financial statements for the year ended 31 December 2017 together with the reports of the directors and statutory auditors.

2. Ordinary Resolution 2:
To re-elect Leutlwetse Tumelo who retires in accordance with the Constitution of the Company and being eligible, offers himself for re-election, as director.

3. Ordinary Resolution 3:
To reappoint Grant Thornton as auditors for the ensuing year.

4. Ordinary Resolution 4:
To authorise the Board of Directors to determine the remuneration and terms of reference of the external auditors.

5. Ordinary Resolution 5:
To approve the remuneration of the chairman and directors of the company.

6. Ordinary Resolution 6:
To review and adopt minutes of the previous Annual General Meeting.

7. Special Resolution 1:
To consider and, if thought fit pass, with or without amendment, the following special resolution: -
"The members present hereby (pursuant to clause 5.1 of the Constitution and Section 5.8 of the BSE Listing Requirements) authorize the directors to issue out new securities equal to 10% of the total of the issued securities of the Company after such issue, without offering such new securities to existing shareholders, provided that such issue is for cash or which will be issued in consideration for an investment or acquisition of shares in an investee subsidiary company or a business, and provided such authority shall endure until the next annual general meeting of the Company."

8. To give the shareholders present opportunity to question, discuss or comment on the management of the Company as envisaged in Section 97 of the Companies Act

Voting and Proxies

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. This proxy need not be a member of the Company.

2. The instrument appointing such a proxy must be deposited at the registered office of the Company or sent by email to contactus@corpservebotswana.com not less than 48 hours i.e. 15H00 on Wednesday 20th June 2018 before the meeting.

3. The completion and lodging of the form of proxy will not preclude the relevant member from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof.

By order of the Board

Company Secretary

Proxy Form

For use at the Annual General Meeting to be held at 1500hrs on 22 June 2018 at Afinitas Limited, Office 6A, i-Towers, Plot 54368, CBD, Gaborone, Botswana.

I/We ______________________ of ______________________
being a shareholder/s of the above mentioned company, holding __________ number of shares hereby appoint:

1. ______________________ or failing him/her
2. ______________________ or failing him/her
3. The Chairman of the Annual General Meeting

As my/our proxy to speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Afinitas Limited, Office 6A, i-Towers, Plot 54368, CBD, Gaborone, Botswana on 22 June 2018, at 1500hrs, and at any adjournment thereof follows:

		For	Against	Abstain
1	**Ordinary resolution number 1 –** to receive, approve and adopt the audited financial statements for the year ended 31 December 2017 together with the reports of directors and the statutory auditors			
2	**Ordinary resolution number 2 –** To re-elect Leutlwetse Tumelo who retires in accordance with the Constitution of the Company and being eligible, offers himself for re-election.			
3	**Ordinary resolution number 3 –** To appoint Grant Thornton as auditors for the ensuing year			
4	**Ordinary Resolution number 4 –** To authorise the Board of Directors to determine the remuneration terms of reference of the external auditors			
5	**Ordinary Resolution number 5 –** To approve the remuneration of the chairman and directors of the Company.			
6	**Ordinary Resolution number 6 -** To review and adopt minutes of the previous Annual General Meeting.			
7	**Special Resolution I –** to authorise the directors to issue out new securities equal to 10% of the total issued securities of the Company after such issue without offering such new securities to shareholders provided that such issue is for cash or be issued in consideration for an investment or acquisition of shares in an investee or subsidiary company or acquire a business, such authority to endure until the next AGM.			

Signed at ______________ on the day of __________ 2018

Signature of Member: ______________
Capacity of signatory: ______________
(where applicable) assisted by: ______________

Name of Member: ______________

Notes and instructions

1. Every shareholder present in person or represented by proxy and entitled to vote at the General Meeting shall, on a show of hands, have only one vote, irrespective of the number of shares held and in the event of a poll, every shall be entitled to one vote for every share held.
2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided, with or without deleting "the Chairman of the General Meeting", but any such deletion must be initialled by the shareholder. Should the spaces be left blank, the proxy will be exercised by the Chairman. Should the proxies whose names have been inserted not attend and "the Chairman of the General Meeting" not be deleted, the proxy will be exercised by the Chairman.
3. A shareholder's voting instructions to the proxy must be indicated by the insertion of an "X", or the number of votes exercisable by that shareholder, in the appropriate spaces provided. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting, as he/she thinks fit in respect of all the shareholder's exercisable votes. A shareholder or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholders or by his/her proxy.
4. The proxy shall have the power to vote for and attend at any adjournment of the Meeting and to vote on any amendment to any of the resolutions which may be proposed at the Meeting.
5. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
6. The power of attorney or other authority establishing the authority of a person signing the form of proxy in a representative capacity or certified copy thereof must be attached to the form of proxy, unless previously recorded by the transfer secretaries or waived by the Chairman of the Meeting.
7. The completion of any blank spaces in the form of proxy need not be initialled. Any alterations or corrections to the form of proxy must be initialled by the signatory/ies.
8. The Chairman of the Meeting may accept any form of proxy which is completed other than in accordance with these instructions provided that he is satisfied as to the manner in which a shareholder wishes to vote.
9. A vote given in accordance this form of proxy shall be valid notwithstanding the previous legal incapacity of the principal or revocation of the form of proxy or the transfer of the share in respect of which the vote is given, unless an intimation in writing of such legal capacity or transfer shall have been lodged with the Transfer Secretaries, Corpserve Unit 206, Second Floor, Plot 64516 Showgrounds Close, Fairgrounds, P.O. Box 1583, AAD Gaborone, or by email to contactus@corpservebotswana.com , to be received by them by not later than 15H00 **Wednesday 20th June 2018**.

Directors: Lesang Magang, Rupert McCammon, Leutlwetse Tumelo, Keith Jefferis

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